

1.0 Division of Mental Health: Summary

The Division of Mental Health (DMH) is the State's mental health authority. It has general supervision of the State Hospital in Provo. Other mental health services are delivered by the 11 community mental health centers in the state. Most counties have joined with one or more other counties to provide mental health prevention and treatment services for their residents. The Division contracts with county governing boards and distributes state and federal funds earmarked for mental health services. Counties are required to provide a minimum scope and level of service, and must provide a minimum 20 percent county fund match. Counties set priorities to meet local needs but must submit a plan describing what services they will provide.

The State Board of Mental Health is the policy making entity for the public mental health system. The Board establishes minimum quality standards, funding formulas for distribution of public funds, and sets other public mental health policies with input from various stakeholders. One member of the seven member board must be a psychiatrist licensed to practice in Utah.

1.1 Financial Summary

The Analyst recommends a total appropriation of \$65.1 million for the Division of Mental Health for FY 2000. This includes \$51.9 million from the State General Fund.

	FY 1998	FY 1999	FY 2000	FY 00-99
Financing	Actual	Authorized	Analyst	Difference
General Fund	\$45,590,500	\$48,802,800	\$51,894,000	\$3,091,200
Federal Funds	2,139,285	2,788,700	2,788,800	100
Dedicated Credits	2,917,206	2,913,600	2,739,400	(174,200)
Transfers	7,751,974	7,848,800	7,640,300	(208,500)
Beginning Nonlapsing	98,671	29,800		(29,800)
Ending Nonlapsing	(29,875)			
Total Revenues	\$58,467,761	\$62,383,700	\$65,062,500	\$2,678,800
FTEs		648.2	713.2	65.0
Expenditures				
Personal Services	\$25,535,438	\$26,886,100	\$29,524,800	\$2,638,700
Instate Travel	33,655	40,100	40,100	
Out of State Travel	48,613	33,500	33,500	
Current Expense	6,013,066	5,670,500	6,274,900	604,400
Data Proc. Curr. Exp.	674,599	920,100	320,100	(600,000)
DP Capital Outlay	25,666			
Capital Outlay	20,044	20,000	66,400	46,400
Pass Through Expense	26,116,680	28,813,400	28,802,700	(10,700)
Total Expenditures	\$58,467,761	\$62,383,700	\$65,062,500	\$2,678,800
Programs				
Administration	\$1,063,788	\$1,028,500	\$1,029,400	\$900
Community Services	3,873,420	5,810,500	5,799,900	(10,600)
Mental Health Ctrs	19,616,541	20,370,300	20,370,300	
Residential Services	2,912,155	2,967,500	2,967,500	
State Hospital	31,001,857	32,206,900	34,895,400	2,688,500
Total	\$58,467,761	\$62,383,700	\$65,062,500	\$2,678,800

2.0 Division of Mental Health Budget Highlights

For FY 2000, the Analyst recommends an overall increase of about \$2.7 million in the Division budget. This actually includes \$3.1 million in new State funds. These adjustments, detailed below, include a reduction of \$600,000 for last year's one-time funding for the new management information system being developed at the State Hospital, operation costs for the new forensic facility, and funding for the State's internal service fund rate increases.

	General Fund	Total Funds
Total Authorized FY 1999	\$48,802,800	\$62,383,700
Transfers, Adjustments		
One-time funding for Hospital Mgt Info System	(\$200,000)	(\$600,000)
Rent reallocation at 2nd West	800	900
Other FY 2000 revised funding estimates (non-state funds)		(29,800)
FY 2000 Building Blocks		
Internal Service Fund rate adjustments	114,800	167,700
Forensic Facility operations	3,140,000	3,140,000
FMAP match rate increase	35,600	
Total Building Blocks & Adjustments	\$3,091,200	\$2,678,800
Total FY 2000 Budget Recommendations (W/O Compensation Adjustment)	\$51,894,000	\$65,062,500

2.1 New Forensic Facility

The new forensic facility at the State Hospital will open in July 1999. The Division estimates that the total cost of operation and maintenance of the new facility will be approximately \$10.6 million. The Hospital will transfer resources and staff from the old facility in the amount of \$4,950,000. The Division requested \$5.6 million in State funds to completely fund the operation and maintenance of this new facility. The Analyst recommends \$3,140,000 for FY 2000 which will provide funding to operate three of the four new wings of the facility.

2.2 One-time funding for Hospital MIS

Last year, the Legislature appropriated \$600,000 (including \$200,000 from the General Fund) to fund development of a new administrative computer system. The FY 2000 authorized budget shows a \$600,000 reduction as these funds will not be re-appropriated.

3.0 Division of Mental Health: Summary

The State Public Mental Health System serves adults with severe and persistent mental illnesses and children with serious emotional disturbances. Individuals with serious mental illnesses often benefit most from the public mental health system because of extra “wraparound” supports that are available. People receiving services from the public system tend to have less financial and private insurance resources.

State law mandates the following ten basic mental health services:

1. Inpatient care
2. Residential care
3. Outpatient care
4. 24-Hour Crisis care
5. Outreach care
6. Follow-up care
7. Screening for referrals
8. Consultation and education
9. Case management
10. Day treatment and psycho social rehabilitation

Additional services provided by some mental health centers include housing, “clubhouses,” consumer drop-in centers, employment and rehabilitation, services to the homeless, forensic evaluations, family respite, nursing home and hospital alternatives and consumer education.

3.1 Mental Health Administration - State Office

The State Office coordinates the mental health programs in the State under the direction of the State Board of Mental Health. It provides consultation and technical assistance to the Local Mental Health Authorities and conducts research projects. The office administers State and federal mental health grants. It is responsible for research, evaluation, and development of administrative, fiscal, and service standards for local mental health centers. The office also has general oversight of the State Hospital.

3.1.1 Administration Budget Recommendations

The recommended FY 2000 budget for the Division's State Office administration is just over \$1 million, with the majority coming from the State General Fund. The only adjustment is a minor increase due to minor space re allocations at the Department's main office in Salt Lake City.

	FY 1998	FY 1999	FY 2000	FY 00-99
Funding Source	Actual	Authorized	Analyst	Difference
General Fund	\$930,847	\$860,000	\$860,800	\$800
Federal Funds	78,965	114,800	114,900	100
Revenue Transfers	53,976	53,700	53,700	0
Total Revenues	\$1,063,788	\$1,028,500	\$1,029,400	\$900
FTEs		12.8	12.8	0.0
FY 2000 Adjustments				
Rent reallocation at 2nd West			\$900	
Total Adjustments			\$900	

3.2 DMH: Community Services

The following programs are administered and/or funded through the Division of Mental Health's Community Services program budget:

- ▶ *Advocacy*: Funding is provided for the employment of consumers, who act as advocates in the Mental Health Centers. The Division employs a statewide coordinator.
- ▶ *Information Systems Grant*: Develops common data indicators across all of the Mental Health Centers that is consistent, compatible, and conforms to national indicators.
- ▶ *Competency Evaluations*: The State is responsible for determining an individual's competency to stand trial for a crime.
- ▶ *"Guilty, But Mentally Ill"*: The State provides mental health assessments of individuals found "guilty, but mentally ill" by the courts.
- ▶ *Homeless Mentally Ill*: The Division distributes federal funds to mental health centers for specialized services to the homeless mentally ill.
- ▶ *Omnibus Reconciliation Act of 1987 (OBRA)*: This Act requires the State to assess the appropriateness of placement for mentally ill persons residing in nursing facilities. The State is required to provide alternative placements for those inappropriately placed and to provide appropriate social rehabilitation to the mentally ill residing in nursing facilities.
- ▶ *Case Management*: This program coordinates services which allow mentally ill persons to remain in their homes.
- ▶ *Rural Education*: Provides funding for mental health education in under served rural areas of the State.

- ▶ *Minority Services:* The ethnic services program was established by legislative intent in the FY 1995 Appropriations Act.
- ▶ *F.A.C.T. - Children's Services:* FACT provides a highly flexible range of services to children at risk of failure in school. The Mental Health Centers provide mental health services to FACT children and receive funds through the Division on a formula basis. Services provided include respite care, in-home services, outpatient care, and therapeutic foster care.
- ▶ *F.A.C.T. - Local Interagency Councils:* Mental Health Centers act as fiscal agents for the Local Interagency Councils (LIC) in the FACT program. The Division receives funds from public education and passes them to the Centers. These funds form a flexible funds pool for the LICs and they are spent on mental health services.
- ▶ *F.A.C.T. - K-3 Mental Health Workers:* This program funds 20 mental health workers in the on-site FACT K-3 programs in elementary schools. The workers provide services to children and their families.
- ▶ *F.A.C.T. - Youthful Sex Offenders:* The Division had a one year contract with the Division of Youth Corrections to provide treatment services. (No FY 1997 funding)
- ▶ *Research and Training:* The Division receives a federal grant to support research and training projects.

3.2.1 Community Services Budget Recommendations

The Analyst recommends \$5.8 million for the Community Services budget for FY 2000, including \$4.1 million from the General Fund. The only change from the FY 1999 authorized budget is the beginning nonlapsing funds available for FY 1999 which will be spent by year's end.

	FY 1998	FY 1999	FY 2000	FY 00-99
Funding Source	Actual	Authorized	Analyst	Difference
General Fund	\$2,863,089	\$4,138,200	\$4,138,200	\$0
Federal Funds	703,987	1,314,000	1,314,000	0
Revenue Transfers	316,985	347,700	347,700	0
Beginning Nonlapsing	0	10,600	0	(10,600)
Ending Nonlapsing	(10,642)	0	0	0
Total Revenues	\$3,873,419	\$5,810,500	\$5,799,900	(\$10,600)
FTEs		0.0	0.0	0.0

3.3 DMH: Mental Health Centers

Under Utah law, county commissions are the local public mental health authorities which deliver mental health services throughout the State. The counties have organized 11 local mental health centers, with some counties combining resources to serve a region. These centers are as follows: Bear River, Weber, Davis, Salt Lake, Wasatch, Central Utah, Southwest, Four Corners, San Juan, Uintah, and Tooele. Some centers operate as private nonprofit corporations under contract with the counties, others operate as mental health districts operated by the counties.

The local mental health authorities are eligible for state contract funds for inpatient services, outpatient services, partial hospitalization services, emergency services, referral screening, follow up services, transitional care consultation, education and preventive services, research, and evaluation. These contracts require a minimum 20 percent match of the State funds by the local mental health authorities.

3.3.1 Mental Health Centers: Access to State Hospital Beds

The mental health centers in the State have access to 212 acute care beds at the State Hospital in Provo. These beds are allocated by population by State statute (62A-12-209.5, UCA). The statute indicates that as the State population changes, the number of beds available to the local centers should be reviewed. However, no new beds have been made available in recent years. Counties and the local centers claim that if they cannot access beds for their patients, the Division should reimburse them for the cost of providing acute beds in other facilities. Salt Lake County annually submits a bill to the Division for beds that had to be obtained in private hospitals.

With the opening of the State Hospital's new forensic facility, the full complement of 212 beds now will be available. In the past, the Hospital has used up to 15 of these beds to care for forensic patients.

The association of local mental health centers is proposing an alternative program of services to traditional institutional treatment. It promises to improve cost efficiency, serve more clients, improve treatment outcomes, and provide a higher quality of life for the person served. The client admitted to this program would continue to reside in his/her own residence or a residence provided by a mental health provider. A team of six or seven mental health workers, nurses, and psychiatrists would be available to the client any time to administer medications and provide intensive therapy. Other wrap around services would also be arranged by this team. Each team would be responsible for up to 30 clients, at a cost significantly less than the State Hospital. This program, also known as P/ACT (Program for Assertive Community Treatment), is being promoted as an alternative to creating additional beds at the Provo institution.

3.3.2 Mental Health Centers Budget Recommendations

The Analyst recommends no change for FY 2000 in the Mental Health Centers budget of \$20.4 million (mostly General Funds).

	FY 1998	FY 1999	FY 2000	FY 00-99
Funding Source	Actual	Authorized	Analyst	Difference
General Fund	\$18,260,208	\$19,010,400	\$19,010,400	\$0
Federal Funds	1,356,333	1,359,900	1,359,900	
Total Revenues	\$19,616,541	\$20,370,300	\$20,370,300	\$0
FTEs		0.0	0.0	0.0

3.4 Residential Services

Residential programs are intended to keep the ratio of mentally ill persons in nursing facilities below 50 percent. Federal regulations define any nursing facility with 50 percent or more mentally ill residents as an Institution for the Mentally Diseased (IMD). Federal regulations prohibit Medicaid funding for residents of IMDs between the ages of 22 and 65. This program provides funding for the diversion of some individuals who would be admitted to a nursing facility and for the relocation of some current residents. There are 64 funded openings for diversions from the IMDs and 64 for out placement from nursing facilities. The program also funds approximately 24 individuals who have left the State Hospital. There is a waiting list for the Diversion and Hospital Out Movement Programs.

3.4.1 Residential Services Budget Recommendations

The Analyst recommends no change for FY 2000 in the Residential Services budget of nearly \$3 million (all General Fund).

	FY 1998	FY 1999	FY 2000	FY 00-99
Funding Source	Actual	Authorized	Analyst	Difference
General Fund	\$2,912,156	\$2,967,500	\$2,967,500	\$0
Total Revenues	\$2,912,156	\$2,967,500	\$2,967,500	\$0
FTEs		0.0	0.0	0.0

3.5 State Hospital

The State Hospital complements the local mental health centers by providing specialized services not available in community settings. The population includes adults and children for whom no appropriate less restricted environment is available. Services are provided for four groups of people: 1) pediatric services for children and adolescents, 2) forensic services for those found not guilty of crimes but mentally ill or not competent to proceed with court actions, 3) specialty services for geriatric patients and patients being prepared for transfer into the community, and 4) adult services. The Adult and Specialty Services provides 212 beds to the community mental health centers as prescribed by statute.

3.5.1 State Hospital Budget Recommendations

The Analyst's recommendation for the FY 2000 budget for the State Hospital totals \$34.9 million, including \$24.9 million from the General Fund. This recommendation includes \$3.1 million for operation of the new forensic facility, a reduction of \$600,000 in one-time expenditures for the Hospital's new administrative management system, and an adjustment for new rates being charged by the State's internal service funds.

	FY 1998	FY 1999	FY 2000	FY 00-99
Funding Source	Actual	Authorized	Analyst	Difference
General Fund	\$20,624,200	\$21,826,700	\$24,917,100	\$3,090,400
Dedicated Credits	2,917,206	2,913,600	2,739,400	(174,200)
Revenue Transfers	7,381,013	7,447,400	7,238,900	(208,500)
Beginning Nonlapsing	98,671	19,200		(19,200)
Ending Nonlapsing	(19,233)			
Total Revenues	\$31,001,857	\$32,206,900	\$34,895,400	\$2,688,500
FTEs		635.4	700.4	65.0
FY 2000 Adjustments				
One-time appropriations			(\$600,000)	
Revised funding estimates (non-State funds)			(19,200)	
ISF rate adjustments			167,700	
Forensic Facility operations			3,140,000	
FMAP match rate change			0	
Total Adjustments			\$2,688,500	

3.5.2 Forensic Facility

The old, inadequate forensic unit at the hospital is being replaced by a new, 100 bed facility scheduled for completion in July 1999. There are currently about 70 forensic patients, some of whom are housed in less secure areas of the institution. The Hospital originally estimated that an additional staff of 90.5 FTEs would be needed with an operating cost of \$3.9 million. This estimate was based on 1995 costs. It left out some security considerations, staffing of a new in-house canteen, and some professional staffing needs. New operation and maintenance cost estimates total \$5.6 million. This is in addition to a transfer of resources and staff from the old facility in the amount of \$4,950,000. The old facility will still be used by geriatric and adult patients currently being treated there.

The Analyst recommends that \$3,140,000 be appropriated from the General Fund for FY 2000. This will fund operation of three of the four wings in the new facility, or about 75 beds. The Analyst recommends that the balance of the requested operating budget be reconsidered in the next legislative session.

**3.5.3 Hospital
Recreation Funds**

In 1998, the Hospital discontinued its annual Halloween haunted castle program. For over 25 years, this annual program, using staff and patients, had raised over half of the hospital's recreation program funds, or approximately \$100,000 each year. To help reduce public stigma of mental health, the State Board decided not to continue to operate the haunted castle. The Division requested \$70,000 from the General Fund to replace this loss. Limited resources precluded the Analyst from including this request in his FY 2000 recommended budget. As these funds are an integral part of the therapy program for patients, the Analyst recommends that, if additional State funding were available, the Legislature consider replacing these funds.

4.0 TABLES

4.1. Funding History

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Funding	Actual	Actual	Actual	Actual	Authorized	Analyst
General Fund	\$38,580,500	\$40,479,000	\$42,921,600	\$45,590,500	\$48,802,800	\$51,894,000
Federal Funds	2,321,700	1,725,200	1,832,600	2,139,285	2,788,700	2,788,800
Dedicated Credits	2,253,900	3,039,300	3,195,200	2,917,206	2,913,600	2,739,400
Transfers	6,945,500	7,668,200	8,194,600	7,751,974	7,848,800	7,640,300
Beginning Nonlapsing	682,200	479,600	433,900	98,671	29,800	0
Ending Nonlapsing	(479,600)	(433,900)	(98,700)	(29,875)	0	0
Lapse	(100)					
Total Revenues	\$50,304,100	\$52,957,400	\$56,479,200	\$58,467,761	\$62,383,700	\$65,062,500
FTEs	678.0	641.7	645.5	646.5	648.2	713.2
Programs						
Administration	\$808,800	\$877,800	\$933,500	\$1,063,788	\$1,028,500	\$1,029,400
Community Services	3,194,500	3,628,600	3,809,500	3,873,420	5,810,500	5,799,900
Mental Health Centers	16,727,500	17,844,900	19,002,900	19,616,541	20,370,300	20,370,300
Residential Services	2,535,500	2,655,700	2,865,500	2,912,155	2,967,500	2,967,500
State Hospital	27,037,800	27,950,400	29,867,800	31,001,857	32,206,900	34,895,400
Totals	\$50,304,100	\$52,957,400	\$56,479,200	\$58,467,761	\$62,383,700	\$65,062,500
Percent Increase		5.27%	6.65%	3.52%	6.70%	4.29%

4.2. Federal Funds

	FY 1998	FY 1999	FY 2000	FY 00 - 99
	Actual	Authorized	Analyst	Difference
Community Support Grants	\$61,993	\$0	\$0	\$0
General Funds				0
Totals for this grant/contract	\$61,993	\$0	\$0	\$0
DHS Other Grants	\$0	\$749,800	\$749,900	\$100
General Funds				0
Totals for this grant/contract	\$0	\$749,800	\$749,900	\$100
MH Svc for Homeless Grants	\$300,000	\$300,000	\$300,000	\$0
General Funds				0
Totals for this grant/contract	\$300,000	\$300,000	\$300,000	\$0
Community MH Svc Grants *	\$1,777,292	\$1,738,900	\$1,738,900	\$0
General Funds				0
Totals for this grant/contract	\$1,777,292	\$1,738,900	\$1,738,900	\$0
<i>* No direct match required, except for "maintenance of effort."</i>				
Total Federal Funds	\$2,139,285	\$2,788,700	\$2,788,800	\$100
Total State Funds	0	0	0	0
Total Funds	\$2,139,285	\$2,788,700	\$2,788,800	\$100